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ON-THE-RECORD BRIEFING

**Ambassador Carlos Pascual, Coordinator for Reconstruction and Stabilization,
On the Signing of a Presidential Directive to Improve Management of U.S. Efforts for
Reconstruction and Stabilization**

**December 14, 2005
Washington, D.C.**

(2:15 p.m. EST)

MR. ERELI: Post-lunch euphoria, right?

QUESTION: Yeah.

MR. ERELI: Today the White House announced a Presidential Directive to improve management of U.S. efforts for reconstruction and stabilization. We are pleased to welcome the coordinator of that effort, the coordinator for reconstruction and stabilization, Ambassador Carlos Pascual, who will brief you on the initiative, on his office, and on U.S. Government efforts in this area. He'll have brief introductory remarks and then be available for your questions.

Thank you. And Ambassador Pascual.

AMBASSADOR PASCUAL: Thank you. Thanks for taking this time after lunch to talk about us with these issues. What we want to focus on was this new Presidential Directive, which is focused on improving coordination, planning, and implementation for reconstruction and stabilization assistance for states and regions that are at risk of, in, or in transition from conflict or civil strife. This has been a bipartisan initiative. It's had full administration consensus. We have had tremendous support from Senators Lugar and Biden. Senator Lugar, in particular, led a study group that was a foundation for many of the ideas that were injected into this initiative.

On the House side, we've had particular involvement from Congressman Farr and Dreier. This has been underpinned by work that has been done by the Center for Strategic and International Studies, the U.S. Institute for Peace, the Center for Global Development, the Council on Foreign Relations, on the NGO side by the group Interaction. The point I'm making is that this is actually a very broad effort with a great deal of bipartisan support across the foreign affairs community.

Internally within the Administration, there's been a strong partnership with USAID. Mike Hess is here from USAID, from the Department of Defense, Todd Harvey is here, from the Office of

the Secretary of Defense, with joint leadership from the National Security Council, Clint Williamson is here from the NSC. And in particular, we've gotten phenomenal support from Joint Forces Command, especially when it was under the leadership of Admiral Giambastiani.

The directive that was issued today specifically affirms that the Secretary of State will lead and coordinate for the Administration reconstruction and stabilization operations, which may be conducted either with or without a U.S. military engagement, and almost certainly will be done in context of some form of international initiative.

The rationale underlying the Directive really comes from the National Security Strategy, which states that we are threatened less today by conquering states than we are by failing ones. And Secretary Rice reinforced that again in the Op-Ed piece -- and I'm sure all of you saw over the weekend -- where she said that the greatest threats to our security are defined more by the dynamics within weak and failing states than by the borders between strong and aggressive ones. And this is further underpinned then by our experience on the ground which has demonstrated that in post-conflict states, that they are particularly at risk of state failure when their own institutional structures are weak, when there is a need for international support, and when it takes time to build the indigenous capacity or capability to be able to undertake these functions on the part of the states themselves.

The directive establishes that the Secretary of State is responsible for and has directed me as her Coordinator for Stabilization and Reconstruction to assist her with certain key functions; to develop and approve reconstruction and stabilization strategies for use of U.S. assistance; to develop detailed options for integrated U.S. Government responses; to coordinate responses across U.S. Government agencies and departments; and case of military operations to coordinate with the Secretary of Defense to ensure that military operations and stabilization and reconstruction operations are harmonized; to coordinate with the international community, with NGOs, think tanks, the private sector; to lead the process of building civilian response capabilities; to lead the interagency process on prevention, and coordinate with agencies on budgets and resources to be able to undertake these things. And we translate that into what it means in institutional and operational terms.

In effect, what we're proposing, what the directive proposes is to create a joint operations capability across civilian agencies and with the military on issues related to conflict to prevent when you can, to be able to respond quickly and effectively when you have to. I think it's useful to draw the analogy to the joint staff and military where interoperability amongst services is absolutely crucial to achieve a U.S. Government strategy within a given theater. To succeed, you still need the Navy and the Army and Air Force and the Marines. To be effective, they have to be able to operate in a way that is fully integrated. And similarly, what this Presidential Directive is calling for us to do is to create an integrated capability among U.S. Government departments and agencies for stabilization and reconstruction. It doesn't replace any given agency or its function, but it has implications for how we operate, that we should operate differently in a way that is more integrated, that is faster, and that is more effective.

And hence, the directive creates the overall framework. It makes clear that the Secretary of State has a lead role to coordinate. It asks individual departments to establish capabilities within those

departments for planning and for response capabilities. With the Department of Defense, it instructs that the Secretary of State and the Secretary of Defense will develop a framework to coordinate stabilization and reconstruction with military operations at all levels. And I'm sure all of you are familiar with the recent announcement of the DOD Directive 3000, which lays out how the Department of Defense will undertake its security, stabilization, and transition and reconstruction activities. That directive, in effect, defines how DOD will undertake its functions. The new Presidential Directive creates the broader umbrella that lays out how the interagency community will operate.

Finally, just a few words, if I might, on the role of this office. I report to the Secretary of State. While this office is in the State Department, it is an interagency office. There are about 55 people in it from State, USAID, the Office of the Secretary of Defense, the Joint Staff, the Joint Forces Command, the CIA, Department of Justice, Department of Labor -- indeed, it's a very broad interagency effort. It was created -- the office was officially created in August of 2004. It came as a result of a National Security Council decision that took place in April of 2004. We briefed this again back to principles at the National Security Council in December of 2004 and got their approval for the basic strategies. The directive that came out today formalizes many of those things that were discussed at a principles' level over many, many months.

The office is not responsible for policy and operations on Iraq and Afghanistan. We, obviously, look at operations there to learn from them but we are not directly involved in the management of those issues. Some of the things that we have already accomplished that are specific outputs are a draft planning framework for the military and civilians to use jointly on stabilization and reconstruction. We have an essential task matrix, which summarizes lessons learned on key issues that need to be addressed in the process of decisions. We have been able to develop models on how to work effectively with the military and planning and combatant commands, as well as integrating civilian teams at a division or brigade level that could deploy in the course of military operations. And we're in the process of actually testing these models through military exercises or in conjunction with military exercises.

We have had a strong international outreach program, working with the UN, particularly on issues related to Haiti, but also with the EU and NATO and with bilateral partners with many countries that are creating similar types offices, in particular, the UK, France, Germany, Canada and some of the Nordic countries. We're beginning to apply this integrated planning framework in some of these methodologies to specific cases, such as Sudan and Haiti. And the next key stage, I believe, is really going to be to develop the response capacities, in particular to elaborate some of the models that we currently have on a diplomatic response core. The Secretary of State gave us the authority and the personnel levels to develop a pilot version of this and we should have pilots ready to roll out by the summer. We're also putting in place more effective mechanisms to use contractual resources and looking at the feasibility of the development of the civilian reserve corp.

The final thing I would say is the importance of preventive action, the work that we've done with the National Intelligence Council on early warning and how to translate that into looking ahead so we can look at potential future scenarios and plan on how we might be able to respond to that in the future.

This is going to be a process. It's not overnight. It was -- we've learned with the military and the creation of joint operations, when I began talking about this Secretary Powell, he said, you know, it took 15 years to create a strong joint operations capability in the military. It's going to be a process of exercises, of training, of developing these capabilities of refining. But what we have right now, I think, is a very strong base that lays out the fundamental concepts, that has the necessary authority, that has begun to get some funding for this and has strong interagency support, that we're trying, then, to mobilize into a real capability for prevention and quick response.

Happy to take your questions.

QUESTION: I'll try to keep it brief. I don't know what's new here. You were appointed to this job in March. I read the story, it sounds exactly like what you're talking about now. And you, yourself, are saying it's been talked about since last summer -- I mean, the summer before this previous summer. So what's new here?

Secondly, what do you mean, all this will be done in conjunction with international initiatives? I don't know what that phrase means.

And in March, there was talk of asking Congress for something like 17 million bucks to finance this. I don't know what happened to that. But could you talk about the financing as well as what does it (inaudible) a taxpayer to coordinate and collaborate and transcend and all these very bureaucratic words?

AMBASSADOR PASCUAL: Okay. In terms of what's new, it's actually not just since March but even a little bit longer. It's been since last year, the office was officially created last August, and I've been doing this since about last June. What is new is that it puts on paper a very clear mandate that says that the Secretary of State has the responsibility to lead and coordinate and integrated U.S. Government response. And clearly lays out the specific functions that are expected of the Secretary of State. That is important to get on paper. It has been discussed before. It was reviewed in principles, but actually getting it on paper and getting the interagency to agree, so we have a common reference point on how we operate, I think is extremely important because when you're dealing with complex interagency functions like this, it's necessary to have in place.

In terms of international initiatives, the point that we're trying to make is that this is not a mechanism to facilitate unilateral action on the part of the United States. And any kind of transition that you get in a major -- with a state recovering from conflict, what we've learned is that there is a need for massive international involvement and engagement, and resources, and skills, and capabilities and addressing security issues.

And so, by building these capabilities, it strengthens our capability to organize ourselves and relate that better organized and more strategically planned U.S. response to an international response and make a stronger contribution to that international response.

QUESTION: If you see a problem someplace, are you hamstrung from taking what you consider to be a judicious action, that you would deal, for instance, with terrorism, to improve a floundering economy, to -- of course, this sounds like nation-building, which the President ran against, if I remember right, but what do you need an international go, green light to address humanitarian and terrorism problems?

AMBASSADOR PASCUAL: What we're saying is that when a state is responding from conflict or seeking to build itself or there's a threat of a state failure, then if you get the international community to work together and you pool those resources of the international community to actually address that response, that you can be more effective than any one international country.

QUESTION: I thought you said you needed it. You'd prefer. Fine.

AMBASSADOR PASCUAL: And we would prefer and we would seek to actually get it because it's going to make us more effective.

QUESTION: And the money question.

AMBASSADOR PASCUAL: The money question. There are three parts of the budget that we have requested. One is the operational budget for this office. It's for the staff, for training, for exercises, for developing skills and capabilities. What we requested was \$24.1 million. We still do not know what the actual allocation was. There was no individual specific earmark in the State Department budget and we're in the process of working that out internally within the Department.

We requested a Conflict Response Fund of \$100 million, which we did not get. The concept behind the conflict response fund is that if you need resources, for example, to jumpstart a key part of an initiative, say, put on the ground international police, police trainers, and rule of law experts, which we understand is the long pole in the tent in creating stability on the ground, the faster that you can fund, say, the first three or four months of an initiative like that and get it moving so that you then have time to be able to bring resources in from other sources or get a supplemental appropriation that could allow you to be on the ground much more quickly and more effectively. We're still going to continue to pursue that in the future.

The third piece was offered by the Department of Defense. It's a transfer authority of up to \$200 million for emergency situations for stabilization and reconstruction. It was in the Senate version of the Defense Authorization Bill. It's now in conference and we'll see if that actually comes through. So this has been a building process. We started with zero resources, we got 7.7 million in a supplemental appropriation last April. We're still building on that. The trend is positive, but we continue the need to put resources in place.

QUESTION: You say got 17 million in April?

AMBASSADOR PASCUAL: We got 7.7 million.

QUESTION: Oh -- you wanted 17, but you got 7.7?

AMBASSADOR PASCUAL: Right. We did get 7. Right, exactly. But let me just put this in perspective on answering the question why is it more effective, why is it useful. You know, we all understand that if you put the U.S. military on the ground, to be effective, that U.S. military has to be planning, it has to be exercising, it has to be training. It just doesn't do things simply because you put them on the ground. And indeed, it is the same with the civilian parts of our government. If we want to be fast, if we want to be effective, we have to have the resources to plan, to train, to mobilize, to move quickly. If by investing in the resources in this more rapid response capability, more effective capability, if just hypothetically you can get one division out of Iraq one month early, that would save \$1.2 billion.

Yes.

QUESTION: It's no secret, but sort of bickering between departments in the immediate aftermath of the Iraq invasion slowed the reconstruction and many other efforts, and possibly made it easier in many ways for insurgents to kind of get the upper hand. Is part of your job going to be to try and prevent this kind of bickering that paralyzes post-conflict situations?

AMBASSADOR PASCUAL: Management of institutions is always going to be a challenge, but if we have in advance something written that says that there is a key -- there is a coordinator and a lead, that's a starting point and that's one of the things that's different and is important. If you have a framework to do the planning, if you're practicing this in advance, if you're doing exercises and you're working through the problems in advance, it's going to make it a lot more likely that when you have those real-live situations, that you can actually make that difference that's necessary and you can manage the interagency processes much more effectively.

We've already seen this in practices. We've been working on some of the exercises with the military. They've come to understand that their view on what civilians can deliver and what the policy framework is needs to be adapted and adjusted and that that is useful in their thinking about how they plan military strategy. It's been useful for us on the civilian side to better understand the inner linkages between how civilians and the military can work. And it's been useful for civilian agencies to develop a much more effective strategy that's realistic because we're forcing ourselves to grapple with some of those tough issues in advance, rather than actually doing it at game time.

QUESTION: And also why is Iraq -- why are Iraq and Afghanistan excluded from this? Is that because they're sort of past? They're starting with a clean slate, or?

AMBASSADOR PASCUAL: There are major institutional investments that the Department and the interagency have already made on Iraq and Afghanistan. We have an office of 55 people. In order to be able to manage Iraq and Afghanistan, you know, you'd need at least that many, if not more. And so we made the decision early on that we would continue to work with those offices. We would share lessons, as we learn from them, we would feed back some of those ideas. But we're not directly involved in operational capability because we wouldn't have really an opportunity to undertake the work that we need to do.

QUESTION: A couple of things. First of all, you mentioned hypothetically so, I guess it's okay for me to ask a hypothetical. If this had been in place five years ago, or set up five years ago, would you -- would this now be running Afghanistan and Iraq? That's the first thing. And the second thing is you have explained that you gave some money that the Department of Defense transferred. Would you address whether or not the Department of Defense transferred anything besides money? Did they -- have they given up any other authority aside from the fact that the Secretary states in the lead?

AMBASSADOR PASCUAL: Okay. First of all, the office is being set up in a way that allows us to have a unified response on conflict anywhere. And so whether it was Afghanistan, Iraq, Haiti, Somalia, Bosnia, Kosovo, you can keep on going down the line, the precept is that this office would take leadership role and inject into those operations, the institutional knowledge and lessons learned that we had from the past, so that we wouldn't be reinventing the wheel or looking at how to address it -- challenges over and over again. We had the benefit in the 1990s of a tremendous individual, Jim Dobbins. He worked on just about all of these cases, but that's not the best way to institutionalize capability. You need a foundation in an office that allows you to actually do this much more effectively.

In terms of the Department of Defense, first of all, we don't have money yet. I wish I could say that it was in the bank, but it's still in the conference process on the DOD authorization bill. And as you know, there are broader issues that are holding up that authorization bill. In terms of giving something up, I don't think the Department of Defense would actually look at it that way. I think that what the perception in Defense would be that they're actually gaining a stronger partner. If one just backs up for a second and looks at the objective that we're trying to promote in a given operation is a sustainable peace, because in the end that's really what we want. And you ask yourself the question what's necessary to have a sustainable peace.

Military operations are a part of that. International civilian policing and stability functions are part of it. Transitional governance is part of it. The rule of law is part of it. Economics is part of it. Development of a civil society is a component of it. The Department of Defense has control over only one small portion of it. And what we have come to recognize is the Department of Defense has had its so-called effects-based planning, you know, what is the effect that you want to achieve? If the effect that you want is a sustainable peace, you need that full spectrum of capabilities and where you're going to get that, the majority of those capabilities, is from the civilian world.

And so what we've seen generally from our Department of Defense colleagues is an absolute welcoming of the development of this capability on the civilian side because it is actually going to lead to a much more successful operation and attainment of an objective.

In the back now.

QUESTION: I have a question on your operations in Haiti. Can you just elaborate exactly what you're doing on Haiti? And also I understand that the UN has asked for more money, I think \$16 million for the elections that are coming up there. I believe the UN Envoy Valdez was

-- he actually met with you and he's also asked for more helicopters. Do you have a response? Would you be responding? How would your office be dealing with such a request?

AMBASSADOR PASCUAL: Haiti's a good example and thank you for raising it. We've been working very closely with our colleagues in the Western Hemisphere Bureau on Haiti. There are two -- in effect, there are two sets of issues that everybody's grappling with in Haiti right now. One is the immediate and the elections and the security issues related to the elections. But the second set of issues is what do you do after the elections, because if you wait until the day after the elections to start thinking about that question, then you're in a lot of trouble.

So what we've been doing on the elections on the security side is working together with our colleagues in the Western Hemisphere Bureau trying to outline what contingencies and problems can come up, helping to outline what some of the solutions can be, helping to analyze what some of the security -- improved security operations could be, based on experience elsewhere. For example, the importance that we've learned, say, from Afghanistan, of integrating the military functions, the policing -- the international policing functions and the local police functions, and the local police functions and the absolute critical need to have all three of them to patrol together.

As a result of some of those lessons from Afghanistan, they started to be transferred back into Haiti in the middle of the year or so and after some of the glitches that we had on the security situation in the middle of the summer, we began to see the situation improve as they started to put in place some of these alternative models and approaches.

We've been working as well at looking at the election and administration process and while our colleagues in the Western Hemisphere Bureau are very much focused on the day-to-day operations, we've been trying to supplement that by saying what are some of the lessons on election and administration that we've been able to see in other places that we can help bring to bear.

Then, for the long-term, what we've been working on is to pull together an interagency process that identifies the key strategic objectives that the United States is trying to pursue in Haiti, bring together interagency teams to elaborate those goals, identify who has the institutional responsibility, what the resources are, so that in the end we can have a strategy that starts out with broad goals, operational mission statements, clear tasks, institutional functions, and resources so that if we say that we're going to achieve something, we can actually have a plausible linkage between the goal and the resources and who is going to do it.

On the question about the \$16 million, the reason -- there is an increased resource requirement for the elections in Haiti because as a result of the delays, people are going to be there longer, there are additional costs that are going to be incurred, whether it's exactly -- that \$16 million is a figure that they started, whether that's a good figure or not, we're still working with them on the budget to determine whether that's the exact requirement.

On the helicopters, Mr. Valdez has certainly indicated that that would be helpful to them. We've had a number of discussions about how we might pursue getting those helicopters but that the issue hasn't been resolved yet.

QUESTION: A follow-up. How many people are working on Haiti and what departments are involved?

AMBASSADOR PASCUAL: I wish I could tell you off the top of my head how many people are working on Haiti. I don't know. It's involved the Western Hemisphere Bureau of the State Department, my office, the Bureau for International Narcotics and Law Enforcement, the International Organizations Bureau. We've had support on legal affairs issues. We've had people from USAID who have been playing a central role on the assistance components. From Treasury and the Economics Bureau here on the financial and economics questions. We've had DOD involved on the -- on many of the transitional security questions. The CIA has been involved in helping us get a better understanding on the intelligence situation on the ground. I'm probably -- Department of Justice has been involved looking at the criminality issues and how counternarcotics and counternarcotics money could play into the elections. All of them have been brought together in these groups that we've been using to develop the strategy.

Yeah.

QUESTION: Yeah. After the experience in Bosnia, which was considered to be very badly coordinated, the Clinton Administration put out a document, a Presidential Decision Directive, I think it was 56.

AMBASSADOR PASCUAL: Right.

QUESTION: Which then the Bush Administration largely ignored once it came in, or it didn't actually ever follow any of those guidelines under that directive. And in the case of the invasion of Iraq, DOD took full control of the situation and cut State out of that process. Is this an acknowledgement that that experience was badly handled?

And secondly, are you -- how much of this is overtracking what the Clinton Administration did in PDD 56? And what is different about this directive than what Clinton did?

AMBASSADOR PASCUAL: Well, what we're really reflecting on is the fact that -- our experience has been that we've never institutionalized the capability to deal with managed conflict and that we can't afford to do that in today's world. And I go back to the ational security strategy, the Secretary's statement about weak and failing states, it cannot have been more dramatically and horrifically demonstrated than it was on September 11th, when you had one of the poorest countries in the world become the foundational base for the most significant strike that we've ever had on our territory. And it forces us to think completely differently about what the nature of the security threat would be. And hence, we need to have the capacity to address those cases of potential state failure and the fact that it is of particularly high risk after conflict, hence, the need for this capacity.

So from that context and after the experiences of September 11th as well, what we have come to understand is that, yes, we need to have a much more aggressive effort that allows us to address these issues. We put the reality of weak states and state failures into the national security strategy. The Secretary has made it a top priority. It's been directly linked with her strategy on transformational diplomacy. She's elevated these issues to the top of her foreign policy agenda. It's not just a sidelight, okay.

In terms of PDD 56, there are a lot of very important things that were in PDD 56, a lot of lessons that were to be learned about the planning process. There are also lessons that we gained from that about the procedure of planning, where it was undertaken, how it was done, whether there was institutional ownership on the part of those who have long-term policy responsibility for the plans that were done. All of that we took into account and we tried to reflect in several things.

One was this new policy directive, but in addition to that, we've developed a new planning framework that will apply to civilian and military agencies so that we have a common language for planning, for stabilization and reconstruction. We're testing that on the civilian as I indicated on Haiti. We've been using it on Sudan. But just recently, the military and Joint Forces Command has agreed to issue it to all of the combatant commands where they will be testing it and utilizing it in the combatant commands and getting the experience out of that.

So what we're getting now is a process that is completely integrated between civilian and military. It's being tested and utilized, that experience is going to float up, we'll be able to actually draw from that, and then turn that into formally approved guidance that will go into the training programs and the doctrine of the military and the trainings that we have on the civilian side as well. It's a much more integrated approach than anything that we've ever had in the past.

Yes, in the back.

QUESTION: What would you say to people who feel uncomfortable, people particularly in the aid world who feel uncomfortable with the marriage between aid and the military? I mean, we've all seen the PRTs in Afghanistan and Iraq and we've all heard about the, you know, talk of greater integration. It seems to be the biggest step in that direction. I'm just wondering there's plenty of people in the aid world who don't want to be associated -- don't want U.S. aid to be associated with U.S. military. What would you say to them?

AMBASSADOR PASCUAL: The key thing I think we have to come back to is to understand how we achieve that objective of sustainable peace. And if we're going to make that a viable objective, we've got to make sure that all of the necessary and sufficient conditions are, in fact, pulled together. Security is part of it and we have to be open to that. But there are a whole range of other functions and we need to understand how to work together and in an integrated way.

One of the reasons Mike Hess is here and he has been so active in this process is because AID recognizes that they need this kind of integration with the State Department, with the military and the other parts of our government to in fact ensure that we have a common response.

There are real issues that the humanitarian community has raised and we need to pursue those actively. In particular, the NGO community has said that the way that we are protected is by neutrality and impartiality, and that is how we, in fact, are seen as safe in the field. What they've also come to recognize is that when you're operating in an environment with terrorist organizations, impartiality and neutrality may actually be meaningless because if you're from the outside and you have values against what those terrorist groups are actually trying to do, you're still unsafe. So what do you do?

In order to address, what we've done is facilitated a dialogue between NGOs and humanitarian groups, USAID, and the U.S. military to try to work through some of these practical issues. The U.S. Institute of Peace has been extraordinarily helpful in creating a base where we can have a lot of these discussions that are produced, very practical recommendations.

The Naval Post-Graduate School in Monterey actually held an exercise back in August where we brought together all of these groups, a whole range of NGOs with the military to actually test some of these things in a hypothetical environment. It's a start to work through some of the problems. So the endpoints are that we have to find a way to integrate the capabilities. There are real issues. We have to be open to addressing those issues. We have to have practical ways of working through them. We've got a process to get that done. No, it's not all resolved, but I think that we have to keep working on it.

Yeah.

QUESTION: You said that it doesn't replace any agency, but I wonder if this is by putting this office in this whole heart of U.S. aid under the Secretary of State, whether that takes away some responsibility from USAID -- I mean, U.S. aid, as in assistance, not aid -- whether this takes some authority away from USAID and whether this is first in a series of steps we'll likely see by this Administration to streamline the way that it controls foreign aid.

AMBASSADOR PASCUAL: I don't think it takes authorities away from USAID as an organization. And, indeed, right now the Administrator of USAID reports to the Secretary of State, and the budgetary functions and authorities are all under the Secretary of State and she works with the Administrator of USAID in exercising those functions. This office that we've created, I mean, we've got about 55 people. We've said that our target that we have for total growth is about 80 people. You cannot administer the AID, the realm of AID programs with 80 people, and we very consciously kept it at this size, focusing again at the kind of joint operations, strategic capability that I tried to lay out at the beginning.

There were some who early on argue that what we should have is a major bureaucracy of several hundred people and there was a discussion and debate about that and we decided that that was not the way to go, at least from the perspective of all of the people who are working on this issue right now, as well as from our principals, because if you have that kind of major investment, you're going to get into confusion about when is this office on reconstruction in the lead, when does USAID take over, when does treasury play a lead role. And what we were trying to lay out is that we should be playing an overall role of creating an integrated U.S. Government response

with clarity about the institutional responsibilities, without trying to duplicate those institutional responsibilities.

MR. ERELI: We have time for one more.

QUESTION: Does your group have any increased bookkeeping authority, is how I'll put it, to make sure that the reconstruction money is effectively spent and that you'll be responsible for it, if it's not?

AMBASSADOR PASCUAL: One of the most important things of having accountability in any kind of program is having a clear understanding of what you're doing, how you're doing it, and how you're going to measure progress. And so from the outside, what we tried to do is have a clear strategy that would lay out what the goals are. We've been working on associating metrics with those goals, and we have the responsibility of ensuring that we make the reports up to our deputies and principals when those metrics aren't being met, and that we implement the decisions of our deputies and principals and push them down through the interagency when there are issues and problems that have to be addressed. That doesn't necessarily mean that everything is going to be fixed on the ground, but it means that we have a greater capacity of managing the process if we have a clear strategic plan and a better set of metrics on how to address it as we go through the course of implementation.

QUESTION: Can I have one more crack at my earlier question?

AMBASSADOR PASCUAL: Sure.

QUESTION: On the hypothetical situation. If this structure had been in place before Iraq happened, does it follow this -- Secretary Rice would then have been in charge of naming whoever General Garner became or Jerry Bremer became?

AMBASSADOR PASCUAL: You know, it's impossible for me to try to translate that into specific changes or positions. I think it's easier to look at it --

QUESTION: Well, the reconstruction effort -- the leader of the reconstruction effort.

AMBASSADOR PASCUAL: Right. I would put it from this perspective. What this initiative, what this directive clearly says is that the Secretary of State is responsible for coordinating the stabilization and reconstruction and as part of that she had a lead role in developing strategies, options, and the policy on stabilization and reconstruction and the response mechanisms. And so that lead function would have been under civilian leadership. It would have been integrated fully with the military.

And so what we have come to learn over time is that when you have an operation, a military operation that has a major stabilization and reconstruction component, if your civilian agencies are the ones that are going to be able to carry out stabilization and reconstruction, you need to involve them in the planning process and you need to have them involved throughout. And I think all of us have come to recognize that this is a capability that we need and that's why we're

putting in this planning framework, the planning mandate under a civilian lead, and why we're trying to work it out in a way that allows us to work this completely with the military from day one.

I would underscore, as well, we recognize and see the importance of the role of the military and a planning process, particularly at the combatant commands. And so one of the things that we're working on very specifically is how civilian teams can actually deploy to the combatant commands and work hand in hand with the combatant commanders because if you have a military plan it's going to affect your stabilization and reconstruction plans. If you have a better understanding of stabilization and reconstruction capabilities in what you can and can't do, you should inject that into your military plan. That's an important lesson and that's what we've now agreed on as policy, and we're developing the capability to make sure we can actually implement it.

MR. ERELI: Thank you.

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